AMENDED IN SENATE AUGUST 15, 2006

AMENDED IN SENATE AUGUST 7, 2006

AMENDED IN ASSEMBLY MAY 3, 2006

AMENDED IN ASSEMBLY APRIL 17, 2006

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

# ASSEMBLY BILL No. 1925

**Introduced by Assembly Member Blakeslee**

February 1, 2006

An act relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1925, as amended, Blakeslee. Energy: electricity: carbon dioxide.

Existing law imposes various duties on the State Energy Resources Conservation and Development Commission, including requiring the commission to undertake a continuing assessment of trends in the consumption of electrical energy and other forms of energy and to analyze the social, economic, and environmental consequences of these trends, and to recommend to the Governor and the Legislature new and expanded energy conservation measures, as specified.

Existing law also requires the commission to adopt an integrated energy policy report that contains an overview of major energy trends and issues facing the state, including supply, demand, pricing, reliability, efficiency, and impacts on public health and safety, the economy, resources, and the environment.

This bill would require the commission, on or before November 1, 2007, and in coordination with the Division of Oil, Gas, and

Geothermal Resources of the Department of Conservation and the California Geological Survey, to submit a report to the Legislature containing recommendations for how the state can develop parameters to accelerate the adoption of cost-effective geologic sequestration strategies for the long-term management of industrial carbon dioxide. The bill would require the commission, in formulating those recommendations, to meet with specified individuals and groups. The bill would require the study for the report to be conducted using existing resources and to include specified information. The bill would require the commission to include the report in its 2007 integrated energy policy report.

The bill would require the commission to support specified research and development efforts concerning storage, capture, and sequestration of carbon dioxide.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. (a) (1) On or before November 1, 2007, the State Energy Resources Conservation and Development Commission, in coordination with the Division of Oil, Gas, and Geothermal Resources of the Department of Conservation and the California Geological Survey, shall submit a report to the Legislature containing recommendations for how the state can develop parameters to accelerate the adoption of cost-effective geologic sequestration strategies for the long-term management of industrial carbon dioxide. In formulating recommendations, the commission shall meet with representatives from industry, environmental groups, academic experts, and other government officials, with expertise in indemnification, subsurface geology, fossil fuel electric generation facilities, advanced carbon separation and transport technologies, and greenhouse gas management.

(2) The study for the report shall be conducted using existing resources and shall include, but is not limited to, all of the following:

(A) Key components of site certification protocol, including seal characterization, reservoir capacity and fluid and gas dynamics, testing standards, and monitoring strategies.

(B) Integrity and longevity standards for storage sites.

(C) Mitigation, remediation, and indemnification strategies to manage long-term risks.

(3) The commission shall include the report prepared pursuant to this section in its 2007 integrated energy policy report required by Section 25302 of the Public Resources Code.

(b) The commission shall support research and development efforts to do all of the following:

(1) Identify and characterize state geological sites that potentially are appropriate for long-term storage of carbon dioxide.

(2) Evaluate the comparative economics of various technologies for capture and sequestration of carbon dioxide.

(3) Identify technical gaps in the science of sequestration of carbon dioxide, to be prioritized for further analysis.

*(4) Evaluate the potential risks associated with geologic sequestration of carbon dioxide, including leakage resulting from carbonates and other dissolved minerals.*

*(5) Evaluate the potential risks if geologically sequestered carbon dioxide leaks into aquifers.*

*(6) Evaluate, and to the extent feasible quantify, the potential liability from the leakage of geologically sequestered carbon dioxide and potentially responsible parties.*

(c) For purposes of this section, "commission" means the State Energy Resources Conservation and Development Commission (Chapter 3 (commencing with Section ~~25200~~ *25200)* of Division 15 of the Public Resources Code).

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